96-45





September 27, 2004

Commissioner Michael K. Powell Federal Communications Commission 445 12th Street, SW Washington, DC 20554



Dear Commissioner Powell,

I am writing to you today on behalf of our company UST, Inc. to express concern over the upcoming decision by the FCC regarding the future funding of universal service.

Universal service should not be sustained or funded through assessments on billed interstate and international telecom revenues.

Assigned telephone numbers would be the most efficient and effective basis for universal service because all commercial and residential connections require a ten-digit telephone number. If this was the method chosen, it would not discourage the use of high-capacity special access lines and would not discriminate between business and residential subscribers.

We understand the need for higher rates, but let's make these assessments equitable and fair for all customers.

Sincerely,

Ms. Donna Pernice

Manager of Voice Technology

cc: Ms. Marlene H.Dortch